



VERSUS STATE



organ of the political action caucus

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The FRAUD Question

by Richard R. Slomon

There is no ethical reason for the prohibition of fraud, concealment, deception, misrepresentation and lying for gain. These are not in and of themselves acts which violate rights. The entire ethical and legal proscription of fraud, when scrutinized carefully, is a vestigial remainder from the altruist-collectivist ethic. It does not belong in a rationally objective and consistent libertarian ethic or system of justice. The only area of proscription outside of initiatory force which forms a distinctly valid category, is the breach of agreement. The failure to provide a value for which title has been voluntarily and explicitly transferred, constitutes an involuntary constraint over the possessions of another and, thus, an objective infringement of rights. This logical nucleus is sometimes called "contractual fraud"; however, the only objective transgression of rights is in the breach of contract and not in the deception, lying, misrepresentation, or concealment per se. Breach of agreement, thus, is the only logically defensible area of proscription in the nebulous notion of fraud.

This question, although of considerable complexity and relevance in itself, is symptomatic of an important rift occurring in the libertarian movement between those who see libertarianism as necessarily founded on a rigorous application of the ethic of rational egoism and those who are willing to placate or accept elements from the altruist-collectivist macroculture. The latter position is, of course, contrary to the logical progression of premises supporting an objectively founded theory of right.

The concept of the individual's right to himself proceeds from an ethic of rational egoism which is premised on the objective (continued on page three)

also
in this
issue:

**THE Warrior Psychology
of the Anarchocapitalist Revolutionary
and: The PAC Principles**

VERSUS STATE is published and edited by members of the Political Action Caucus of Washington State. This journal is dedicated to the formulation of radical anti-statist political ideology. VERSUS STATE is responding to the dearth of analysis and synthesis of concrete political-economic problems facing the anti-statist movement. Most libertarian organs have failed to present treatment of the salient political, military and revolutionary alternatives for opposing the oppression of the State. The anti-statist intellectual movement has shown little capacity for translating abstract philosophical premises into practical ideological programs of political action. VERSUS STATE will stress the development of tactical and strategic thought towards the worldwide struggle for liberty. VERSUS STATE is meant to be a forum of theory and practice for those involved in the frontline of political struggle. It will also deal with more abstract philosophical topics of a direct relevance to the anti-statist movement.

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THE FRAUD QUESTION (continued from cover) necessity of physically unconstrained choice-making for the individual. A conscious organism by necessity of its separate identity, and its singular experience of happiness, must live in its own self interest. It has ultimately no other objectively definable purpose in life. A conscious life is its own end; an individual is rationally led to the understanding that his life is an end in itself. This is the ethic of rational egoism. It is the ethical foundation for the individual's right to himself, and thus, the necessary foundation of libertarian political-economic premises.

The only logical basis for libertarian opposition to the coercion of the State is on the basis of the absolute right of the individual to his own life -- i.e. self-ownership and self-dominion. The concept of right has to be based solidly on an ethical principle which is absolute and uncompromising. It can admit to no exceptions, or the entire concept of rights collapses to the arguments for collectivist coercion. Either an individual has by nature an absolute right to live his own life, or he does not. There is in principle no middle ground. The law of identity excludes all intervening possibilities: "A" is "A" or it is not "A".

The concept of fraud which constitutes an important prop in current libertarian ideological formulations is inconsistent with any rational concept of individual rights and is ultimately contrary to the ethic of rational egoism. The "Statement of Principles" of the Libertarian Party (U.S.A.) supports "...the prohibition of...fraud and misrepresentation". The standard legal definition of fraud consists of:

"An intentional perversion of truth for the purpose of inducing another in reliance upon it to part with some valuable thing belonging to him or to surrender a right; a false representation of a matter of fact, whether by words or by concealment, which deceives and is intended to deceive another so that he shall act upon it to his injury."

This definition comes from the venerable Black's Law Dictionary (Rev. 4th Edition, 1968, p. 788) and it is a good example of what many libertarians consider to be in accord with libertarian premises. The definition of fraud is based on a series of implicit, prior assumptions on the nature of ethical requirements and individual rights.

The first assumption is that every individual has an a priori obligation to furnish others with information. Information is clearly a valuable possession -- one often requiring considerable investment of time and effort to acquire. To assert that others have an a priori claim to one's understanding of truth is in principle a sanctioning of expropriation.

There are only two valid reasons for claiming an obligation on the part of someone else. The first derives from an explicit and voluntary agreement on one's part to meet specified terms. The second valid claim is for restitution for objective, physical damages caused by one's actions, or some agency under one's authority or control. There are no implied obligations which can form the basis for an objective and ethically valid claim, much less the basis for implementation of forceful intervention by third parties.

An agreement to provide accurate information, or the negotiation of an agreement, if not met, constitutes a valid claim. As the forced transfer of material property is an obvious infringement of the right of an individual to his life, so

is the forced transfer of information. The notion of fraud requiring an individual to inform others of his intentions, and to provide accurate information where no prior explicit and voluntary consent is given, is a corollary of the altruist ethic that one has an automatic obligation to others.

An agreement is ethically enforceable, but a demand, inquiry, or any request for information is not. The attempt to enforce a requirement of the truth on persons who have not made an agreement to do so, under stated terms and conditions, is in itself the initiation of force. Concealment, lying, and deception do not, in themselves, involve the use of initiatory force. Lying and deception are indeed commissional acts, but they commit no transgression of rights. As long as the recipient of the information, whatever its accuracy, is voluntarily accepting the transaction of ideas, and has not been given specific title to accurate information, no claim can be raised for deception or misrepresentation. If the false information induces the listener to part voluntarily with some value for less than its potential worth, there is still no transgression of rights. The fraud doctrine essentially enforces the "free" provision of a valuable possession - knowledge - and enforces the "truth" as a prior unspoken and unagreed transaction of value.

An explicit agreement to provide accurate information is enforceable. The essence of an objective epistemology centers on the use of concepts which refer to specific attributes of the phenomenal universe. These concepts are communicable through abstract symbols (words, numbers, etc.) which identify specific attributes, elements, and conditions of reality. The explicit assent to provide accurate information specifically identifies the willingness to engage in a transaction. Concepts can be unambiguously specific in conveying intent. Percepts are insufficient. The explicit assent to provide accurate information identifies the willing transfer of a proprietary right over the service performed by the informer for the questioner. The existence of the assent transfers ownership over the information. Failure by the assenting informer to provide the value would constitute withholding something now belonging to the questioner, against his (the new owner's) will. This would constitute a breach of agreement which is a form of initiatory force -- in this case the forceful, unjustifiable withholding of a value belonging to someone else against his will.

The libertarian proscription of fraud must logically be replaced with the prohibition of breach of contract (oral or written). This can and should include contractual truth-telling. An individual who agrees to perform a service is declaring that some objectively defined portion of his value now belongs (assuming the terms of the contract have been fulfilled by the other party[ies]) to some named other person. Failure to transfer this value constitutes holding the property of another against his will, i.e. it is a form of initiating force. Breach of contract is an objectively definable subset of initiatory force -- lying, concealment of information, deception, and misrepresentation per se are not. Any agreement can include a statement to the effect that all facts voluntarily provided are to the best of one's knowledge accurate.

Mr. Slomon has written two essays on fraud which are on sale for \$2.00 each for those interested in a fuller treatment of the subject.

The WARRIOR PSYCHOLOGY

of the Anarchocapitalist Revolutionary

by Richard R. Slomon

(The following is excerpted from a longer essay available for sale by the PAC. Mr. Slomon has written an earlier essay, "The Function of Creator and Warrior in a Libertarian Society", and is writing a third on "The Creator and Warrior Ethic.")

This essay will, without doubt, cause controversy in the libertarian movement. The emotional leitmotif of pacifism and antimilitarism has prejudiced many against the objective necessity of organized retaliatory force. As a result, very little attention has been paid to the ethical and psychological requirements of military or revolutionary professionalism. Ayn Rand gives a casual treatment in the limited characterization of Ragnar Daneskjold in *Atlas Shrugged*, but the scientific-industrial creators such as Dagny Taggart, Hank Reardon and John Galt are the focus of attention. Whatever our prejudices, the road to freedom will likely depend on military-revolutionary personnel; thus, the development and understanding of a warrior ethic is important.

The following is not a thorough analysis, but a rough sketch of the warrior psychology. It provides an idea of an ultimate level of rational-egoistic integration necessary for a revolutionary, anti-authoritarian personality. The warrior psychology is, in principle, no different from the ethically integrated creator psychology, except in the epistemological requirement of his profession, which dramatizes to an extreme, the necessary primacy of identity over even existence and consciousness. One's mission in life, and the perfection of one's dedication, the integrative level of one's emotional-intellectual apparatus in achieving that mission, constitute the ultimate value.

The personality ideal drawn here will appear for most as a cold, harsh, unfeeling, austere, and thoroughly ruthless psychotype. It is, in fact, all those things in the struggle against evil. There is an ultimate economy of value and leanness of emotion, which comes of a total but reasoned dedication to principle. It comes from a love of ultimate justice at the tribunal of reality.

The innermost feelings of the warrior mentality of the anarchocapitalist revolutionary¹ are contrary to those common in the macroculture, and in fact, those which still generally hold sway in libertarians. The warrior is the final triumph of the "inner-directed" personality. Its vindication of self comes fully of its own reasoning. Its self-esteem does not require the vindication of others. It is emotionally, as well as intellectually, able to stand, if need be, against the entire world and act out its values. It is able to withstand the rejection of those closest to itself and part with them when ethical consistency requires. The warrior lives for truth.

The warrior is willing and able to live in constant conflict, if need be, against any and all odds in its self-realization. The Universe is a battleground, an ethical testing of the objective strength of its personality. The warrior, although willing to voluntarily submit to the command and discipline of others when that is the most efficacious means of attaining a higher value, is willing to oppose to the death, any and all forms of tyranny, no matter how powerful or threatening. The warrior is the final authority over its own life. That is sufficient. It feels no need for anything fundamental from the lives of others. It feels whole. It is a mechanism of itself: A system with its own self-defined, unique purpose, self-transforming, wonderfully alone, and able.

¹Revolutionary is meant in the broadest sense of new ideas and approaches, and not necessarily in the sense of one who participates in the armed overthrow of the State, although there is every reason to consider this necessary.

The warrior is capable of rapid, almost instantaneous emotional self-reprogramming. It does not suffer from depression, self doubt, recrimination, guilt, or shame. Its emotional responses are the spontaneous evaluation focus of a mind which is fully conscious of itself. The warrior is in a constant process of sifting out irrelevant or inappropriate emotional responses as part of a constant updating of its personality inventory. Its happiness derives from the unclouded experience of having achieved its existence and consciousness as fully subservient instrumentalities of its ethical identity. It regards the ultimate center of its conscious existence, and of its purpose in being, as the maximization of its own ethical integration.

The warrior frames its emotions as a spontaneous evaluator within a conscious matrix which acts to continuously recheck and fine-tune its reactions. The momentary experience of emotive joy is purposely extended back into its reasoning focus.

A warrior values others on the basis of objective merit. Its highest priority is ethical efficacy. Every relationship has a definable purpose. Every relationship is a market relationship. A warrior affiliates with the highest bidder for its value. It accepts no imposition of implied obligations and imposes none. Relationships are based on explicitly defined terms of consent. "Friendship" and "love" in the sense that these are defined in the altruist-collectivist macroculture have no valid part of its life.

The process of cultivating its own personality goes beyond the creation of value to the defeat of purposive evil. The Warrior Ethic is the ultimate extension of an objective ethic. It seeks the most difficult test of ethical identity by placing accomplishment of one's mission in life above even the safety of one's own corporeal existence. With this understood, every moment of one's life is a supreme fulfillment. The fear of death is lost in the pride of accomplishment.

TAX REBEL FIGHTS FOR HIS LIFE!

Karl Bray, imprisoned for tax resistance, may be dying from cancer.

Two days after arriving in Boston to hear Ayn Rand, Bray was stricken with paralysis and high fever -- later diagnosed as advanced, diffuse histiocytic lymphoma. The malignant disease, which caused paralysis of his lower body through an abdominal tumor pressing on nerve centers, had already invaded his spleen, liver, and bone marrow. In spite of this, Karl is showing equal courage fighting the cancer in his gut, as he did resisting the statist cancer at his door. A rational and heroic man under any circumstance, Karl tells us that he has "... spent every minute reading on the subject...to better my odds with new therapies." It is this kind of reasoned, egoistical courage to fight for one's life, no matter what the odds, asking nothing from the lives of others, merely the unobstructed opportunity to earn one's own existence, which is the core of our way of life. This is the spirit of the anarchocapitalist movement, and the potential for the victory over the authoritarian complex of mysticism, altruism, collectivism, and statism. Karl Bray is a man who deserves our support. Invest in a freedom fighter! Reward a living monument to rational egoism and anti-statism! Write to:

737 1/2 Jamaica Court
San Diego, CA 92109

The PAC Statement of Principles

It is appropriate in this first issue of VERSUS STATE to introduce the purpose and principles of the Political Action Caucus. The PAC has been organized to meet what its supporters consider to be an unfulfilled function vital to the anti-statist movement. "Anti-statist" is here defined as the broadest possible political label which is inclusive of those who in some way want to reduce the power of the State and its associated apparatus of support and coercion. The anti-statist movement is the political center of a broader philosophical movement against what can be called the Authoritarian Complex (mysticism, altruism, coercive collectivism, and statism). In our view, "anti-statist" can potentially include liberals, conservatives, New Left, and even Marxists, when they oppose statism. The PAC was founded to help resolve the ideological inadequacies of the present "libertarian movement" which is the oppositional focus to the Authoritarian Complex.

The libertarian movement, in spite of a well developed corpus of consistent philosophical premises, has not evolved a functional ideological program for the abolition of the State. Although much creditable work towards the formulation of an ideological position has taken place, notably in the work of Murray N. Rothbard, the full development of a world strategy is still to be accomplished. The purpose of The PAC, thus, is to "...recruit, radicalize, train, organize, and mobilize individuals ...through the formulation and implementation of a programmatic ideology of strategy and tactics in controlling, dismantling, and abolishing the power of the State...."

The following principles establish an outlook, and certain key revisions of popular "libertarian" philosophy and folklore, which are necessary not only for our victory over the Authoritarian Complex, and the abolition of the State, but for the successful conduct of a thorough-going and consistent libertarian way of life. Among these revisions are the exclusion of fraud as an ethical prohibition and the adoption of the doctrine of retaliatory recapture. These and other revisions will be discussed in VERSUS STATE. It is with pride that we present in this first issue our Statement of Principles:

We, the members of The Political Action Caucus, firmly support the right of individuals to their own lives and justifiably acquired possessions, free from the initiation of or threat of physical coercion, or the breach of agreement. We affirm that the volitional nature of rational consciousness entitles individuals to full possession over their own lives and the product of those lives.

A conscious, living organism does not live as a ghost in a machine; it requires individual possession and control over the physical instrument of its will, if it is to succeed as a choice-making entity. The right of individuals over themselves cannot logically be divorced from the proprietarian control over physical objects. Self ownership, thus, requires an unenfringed dominion over one's own life as it includes both corporeal and non-corporeal objects. All effective freedoms of choice, and other forms of action, ultimately derive from the right of property. Thus, we affirm the essence of human rights is self ownership.

We support the ethical concept of rational egoism, which defines the purpose of conscious existence as the attainment of one's own happiness. This ethic derives from the epistemological premise that the universe in which we live is non-contradictory and understandable. There are no arbitrary and contradictory choices necessitated by the nature of our universe. Thus, we affirm that all choices can and should be made on the basis of an objective system of value.

We assert that the choice to think and reason is a fundamentally self-acknowledging act which can only result from the existence of a unique individual nature. The necessity for a conscious organism to make choices in order to live is the outstanding

fact of conscious existence. The voluntary performance of an action, in the use of justifiably acquired physical properties in the attainment of one's own interests, constitutes the extent of personal authority. The objective physical consequences of one's actions, which includes the willing and specific transfer of title, constitutes the extent of personal responsibility and enforceable liability. Since one's authority is logically limited to one's own life and possessions, one's ethical and legal responsibility may not be dictated to extend beyond the objective, physical consequences of one's life and possessions. Statism is the loss of individual authority over one's own life and the arbitrary and enforced imposition of responsibility for the welfare and failings of others. Thus, we consider statism as contrary to a rational existence, and in violation of the right of individuals to their own lives.

We assert the freedom of individuals from arbitrary and unconsented claims. There are only two bases for an ethically justifiable and enforceable claim against an individual. One is to fulfill the terms of a prior agreement explicitly and voluntarily agreed to by the individual. The second is a claim for restitution against damages inflicted as an objective physical consequence of any means possessed by the individual. Therefore, we firmly oppose the notions of "implied contracts" and "social contracts" which enforce arbitrary social conventions on the individual where no explicit consent has been given and where no violatory act has been committed.

We have come to understand the impotence of mere intellectual opposition to the State. The careful development of philosophical principles based on consistent premises is necessary and fundamental to the change we aspire to achieve. World events clearly indicate the need for a carefully planned, centrally organized, and ideologically oriented form of political action. The battle for freedom is an all-enveloping, inescapable fact of life in our time. The PAC is for those who choose to objectively recognize the nature of statism and deal with it accordingly.

We recognize the State as an aggressor. The State is an instrument of coercion and an impediment to a rational system of justice. It results from a philosophical disregard for the natural right of individuals to their own lives and justifiably acquired possessions. The State represents a complex ideological justification and implementation of murder, theft, extortion, and slavery. It is responsible for every major problem existing in contemporary human society and is manned and exploited for the benefit of fictional collectives through the sacrifice of individual liberty. The State is responsible for war, poverty, unemployment, monetary inflation, coercive monopolies and cartels, the perversion of ethical values, the corruption of youth, the degradation of the natural environment, and the general despair of humanity. The holders of State power maintain their position by the control of key institutions and by indoctrination and corruption of the masses. Statist forces are extremely powerful and deeply entrenched. They control the world in which we live, and at this moment their power is waxing stronger.

We recognize that the vast bulk of the world's population is still under the sway of statist mythology and its supportive doctrines. We identify these doctrines as: mysticism -- the notion that this universe is metaphysically inferior and morally unsuitable for human aspirations, and epistemologically contradictory and fundamentally unknowable to human reason; altruism -- the ethical doctrine which binds one to live for the sake of others and treats the individual as a sacrificial animal; collectivism -- the social corollary of altruism which attributes reality to the group apart from individuals and subordinates the individual's right to the presumed interest of the group; and statism itself -- the political corollary of altruist-collectivism which arbitrarily invests authority, and a monopoly of force in the name of the group, and according to a defined set of laws, rules by systematic coercion and organized tyranny. These doctrines are found throughout the world in various forms and in various combinations. There is no difference in principle among them -- only differing tactical problems for those struggling for their freedom.

We understand the necessity, within the context of an intensifying world struggle, of organizing and utilizing our scarce resources to the best advantage. We see the function of ideology as the intellectual means by which philosophical premises and ideals are implemented within the political sphere to achieve concrete objectives. The philosophical premise that individuals should exercise sole dominion over their own lives requires accomplishing the ideological objectives of controlling and dismantling the State.

We regard the strategy of struggle against the State differently from the anti-statist sectarians whose misunderstanding of ethical and ideological requirements has essentially paralyzed their campaign against the State. A political organization must increase its political capital while simultaneously denying sources of power to its enemy. We intend to transform the present process which is wastefully devouring the limited political capital of the anti-statist movement. This requires the development of a long-term strategy, an ideological program, and a set of tactical maneuvers which creates opportunities for success, and which takes advantage of every weakness and error by the enemy. It requires a program of assumptions and objectives which can be checked against reality.

We plan to reduce the power of the State in stages through the use of peaceful political means as long as, and insofar as, these are available to us. It is our intent to promote and aid revolutions against the State in countries where the means of peaceful political reform are nonexistent. We expect that our success may result in an increasing reaction against us from the institutions of State power and those interests which have something to lose by its reduction. This will not deter us, as we regard every act of repression as potential fuel for the engine of revolution.

We consider explicitly defined, voluntary commitments as the rational method of distributing responsibility and authority in carrying out effective political action. The division of labor, which is the basis for any large scale productive enterprise, is also required in a political organization. Uncoordinated actions are generally ineffective and often futile in political struggle against the State.

Since the power of the State permeates virtually all economic, political, and other levels of organized human activity, it is impossible, in practice, to effectively oppose its power without ourselves gaining control over sectors of State power in maneuvering against the State. Although the physical means by which the State oppresses us are indeed stolen property which should be returned to the rightful owners; it is the responsibility of the original owners to prevent such abuse of their possessions. Failure to do so, ends any ethical obligation on the part of those who are being attacked by the use of this property, and who would defend themselves by turning the State's weapons against the apparatus of coercion. Those actively opposing the State have an ethical right to employ all means against the aggressors, including the capturing of any and all instruments of State power to dismantle and abolish the State.

We assert that the right of one's own life logically entitles one to the use of retaliatory force, and any other means deemed efficacious in thwarting the initiation of force. This ethical entitlement frees all persons from meeting any and all obligations imposed by the State. Individuals are ethically entitled to defend themselves with organized defensive force, and by any and all means against its armed and extortive invasions. We will, however, avoid the exercise of our moral entitlement to the use of retaliatory force, and eschew violent acts, as long as peaceful means of reducing State power are open to us. We do so, not out of ethical obligation, but as a matter of rational self interest. We have every intention, when the time is ripe, to smash the apparatus of our enslavement, and abolish the State for all eternity.

NW RADICAL ANARCHOCAPITALIST CONFERENCE

SEATTLE

AUGUST 20, 1977

morning session

- 9AM Panel Discussion "ANARCHOCAPITALISM, ABORTION, SEXUALITY, AND THE FAMILY", Chaired by Angela Basta.
- 10AM Panel Discussion "SCIENCE AND TECHNOLOGY IN AN ANARCHOCAPITALIST SOCIETY: THE ENERGY PROBLEM",
- 11AM Panel Discussion "ENVIRONMENTAL QUALITY AND PURELY PRIVATE OWNERSHIP", Chaired by Richard Slomon

afternoon session

ANARCHOCAPITALIST PHILOSOPHY AND CULTURE

- 1PM "A SYNTHESIS OF ANARCHOCAPITALIST PHILOSOPHY", Speech by Mr. R. Slomon
- 2PM "ANARCHOCAPITALIST SOCIETY AND CULTURE", Speech by Dr. C. Nist
- 3PM "THE PSYCHOLOGY OF RATIONAL EGOISM", Speech by Dr. J. McLaughlin
- 4PM "THE CREATOR AND WARRIOR ETHIC", Speech by Mr. R. Slomon

evening session

ANARCHOCAPITALIST POLITICAL IDEOLOGY

- 8PM "GENERAL STRATEGIC AND TACTICAL CONSIDERATIONS", Speech by Galen Tyler
- 9PM "PRESENT TASKS FOR THE ANTI-STATIST MOVEMENT", Speech by Mr. R. Slomon

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